MULTIMEDIA UNIVERSITY

STUDENT ID NO

MULTIMEDIA UNIVERSITY

FINAL EXAMINATION

TRIMESTER 3, 2015 / 2016

PCL0012 – INTRODUCTION TO COMMERCIAL LAW

(All Sections / Groups)

2 JUNE 2016
2.30 p.m. - 4.30 p.m.
(2 Hours)

INSTRUCTIONS TO STUDENT

1. This question paper consists of **TWO (2)** printed pages excluding the cover page.
2. Answer **ONE** question from Section A and **TWO** questions from Section B.
3. All answers should be written in the Answer Booklet.

SECTION A: ESSAY [40 MARKS]

Instruction: Answer **ONE** question only.

QUESTION 1 [40 marks]

a. Partnerships are one of the common modes of business operation in Malaysia and are formed to operate concerns varying from trading firms to professional firms.

In view of the above statement, explain the characteristics of a partnership and the types of Partners.

(30 marks)

b. Briefly explain the following:

i. Advantages of Sole Proprietorship **(4 marks)**

ii. Disadvantages of Sole Proprietorship **(6 marks)**

[Total: 40 marks]

QUESTION 2 [40 marks]

a. Not all risks can be insured. The risk which can be insured must be an 'insurable interest'.

Discuss the above principle and support your answer with relevant authorities.

(30 marks)

b. Insurance contracts are contracts of the utmost good faith or *uberrimae fidei*.

Explain briefly the context of this legal principle.

(10 marks)

[Total: 40 marks]

Continued...

SECTION B: ESSAY [60 MARKS]

Instruction: Answer **TWO** questions only.

QUESTION 3 [30 marks]

The general rule is that no one can give a better title than he has himself.

Discuss this general rule together with its exceptions.

(30 marks)

QUESTION 4 [30 marks]

Explain briefly the following:

a) Effect of the completion of proposal form by an insurance agent **(15 marks)**

b) Principle of indemnity **(15 marks)**

[Total: 30 marks]

QUESTION 5 [30 marks]

a. "A cheque is a bill of exchange drawn on a banker payable on demand".

[Section 73(1) Bills of Exchange Act 1949]

In view of the above definition, state and discuss the types of cheques.

(15 marks)

b. Explain the procedures to register a sole proprietor business in Malaysia.

(15 marks)

[Total: 30 marks]

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